

Empire State Manufacturing Survey: Supplemental Report

January 2008

For release January 15, 2008, 8:30 a.m.

Workers' Comp and State Taxes Seen As Especially Burdensome for N.Y. Firms

In a set of supplementary questions to the January 2008 *Empire State Manufacturing Survey*, manufacturers were presented with a list of state regulation categories and asked to rank the ones they deemed most burdensome for their business in New York State; respondents were also asked to assess how burdensome New York's regulations were relative to those of other states. Health insurance coverage and workers' compensation were considered the most burdensome regulations by a wide margin: each of these was ranked in the top three by roughly 80 percent of respondents. Nearly 40 percent of respondents ranked health insurance number one, while 25 percent gave the top ranking to workers' compensation. State taxes were viewed as fairly burdensome as well: more than half of all participants placed taxes in the top three and 16 percent ranked them number one. In a nearly identical survey conducted in January 2007—which did not include health insurance coverage as an option—workers' compensation had topped the list, followed by state taxes.

When asked to compare New York's regulations with those of other states, the vast majority of respondents judged workers' compensation and state taxes to be more burdensome in New York than elsewhere; these results closely paralleled the responses to similar questions in last year's survey. Health insurance coverage and environmental regulations were also viewed as more burdensome for N.Y. firms than for firms in other states, but by a smaller percentage of respondents.

1) Please rank the top five most burdensome state regulations.

	Percentage of Firms Ranking the Regulation	
	Number One	In the Top Three
Health insurance coverage	38.8	80.7
Workers' compensation	25.0	79.8
State taxes	16.3	54.5
Environmental regulations	3.8	17.8
Unemployment insurance	1.3	16.6
Workplace safety	2.5	12.7
Building codes	1.3	10.2
Minimum wage	3.8	7.6
Equal employment opportunity	0.0	6.3
Land-use regulations	2.5	3.8

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2) What is your view of how burdensome New York State is compared with other states in terms of each of the following regulations?

	Percentage of Firms Responding	
	NY Less Burdensome Than Other States	NY More Burdensome Than Other States
Workers' compensation	0.0	89.4
State taxes	1.5	84.8
Health insurance coverage	0.0	66.2
Environmental regulations	1.7	62.7
Unemployment insurance	1.6	56.5
Building codes	6.9	46.6
Minimum wage	10.3	37.9
Land-use regulations	10.5	31.6
Workplace safety	6.8	20.3
Equal employment opportunity	10.3	6.9